

Department of Labor & Industry
Employment Relations Division

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INJURY PREVENTION

Managing the risks of organizational accidents...

AGENDA

A 30 Minute Primer highlighting:

- The need for safety & injury prevention
 - Rates, types, and the business case for safety
- Injury rate trends
 - What do the statistics show?
- Components of the winning formula
 - Safety culture, safety management systems and social marketing
- The role of public policy
 - Thoughts to consider in bringing resources to bear

THE NEED – Injury rates

Montana needs to do better at safety!

- ❖ Montana injury rate is ~ 43% higher than the national average*
 - Montana: 6.6 injuries/100 FTEs
 - Nation: 4.6 injuries/100 FTEs
- ❖ Our injury rates directly impact our workers' compensation rates
- ❖ Prevention will be a major force in our future rates

THE NEED – Injury rates

Bureau of Labor Statistics

Table 6. Incidence rates of nonfatal occupational injuries and illnesses by industry and case types, 2005

Industry	Total Reportable Cases		% Higher in Montana
	Montana	US	
Private industry	6.6	4.6	43.5
Natural resources and mining	8.2	5.1	60.8
Mining	7.6	3.6	111.1
Construction	12.1	6.3	92.1
Residential building construction	16	5.3	201.9
Manufacturing	9.6	6.3	52.4
Trade, transportation and utilities	6.1	5.2	17.3
Retail trade	5.9	5.0	18.0
Information	4.2	2.1	100.0
Financial activities	2.1	1.7	23.5
Finance and insurance	1.9	1.0	90.0
Professional and business services	3.1	2.4	29.2
Health care and social assistance	7.4	5.9	25.4
Leisure and hospitality	7	4.7	48.9

THE NEED – Injury rates

Bureau of Labor Statistics

Table 6. Incidence rates of nonfatal occupational injuries and illnesses by industry and case types, 2005

Industry	Cases with days away		% Higher in Montana
	Montana	US	
Private industry	2.2	1.4	57.1
Natural resources and mining	3.6	1.8	100.0
Mining	3.1	1.5	106.7
Construction	5.1	2.4	112.5
Residential building construction	11.1	2.4	362.5
Manufacturing	3.7	1.5	146.7
Trade, transportation and utilities	2.0	1.7	17.6
Retail trade	1.7	1.5	13.3
Information	1.5	0.7	114.3
Financial activities	0.6	0.5	20.0
Finance and insurance	0.5	0.3	66.7
Professional and business services	1.2	0.7	71.4
Health care and social assistance	2.0	1.6	25.0
Leisure and hospitality	1.4	1.1	27.3

THE NEED – Injury types

The bad actors aren't high hazard – they're commonplace!

1. Slips/trips/falls
2. Sprains

The take-home points...

1. These are the bulk of our injuries.
2. These have common, generally easy-to-fix causes (which breeds complacency).
3. The fixes are (generally) much cheaper than a single injury when both direct and indirect costs are considered.

THE NEED – The business case

Safety is good business...

- ✓ It's the right thing to do
 - ✓ Protection of our most valuable resource
 - ✓ 1%, 24%, 75%
- ✓ It's directly linked to business excellence

THE NEED – The business Case (cont.)

Cost Control

✓ Direct Costs

1. Workers' compensation

✓ Indirect Costs

1. Time lost from work by injured employee.
2. Lost time by fellow employees.
3. Loss of efficiency due to break-up of crew.
4. Lost time by supervisor.
5. Training costs for new/replacement workers.
6. Damage to tools and equipment.
7. Time damaged equipment is out of service.
8. Loss of production for remainder of the day.
9. Damage from accident: fire, water, chemical, explosives, etc.
10. Failure to fill orders/meet deadlines.
11. Overhead costs while work was disrupted.
12. Other miscellaneous costs (*Over 100 other items of cost may appear one or more times with every accident*)
13. *The unknown costs – human tragedy, morale, reputation!*

INJURY RATE TRENDS

Statistics show...

- An overall downward trend during the last 50 years¹
- Downward pressure on injury rates during recession¹
- Upward pressure on injury rates during robust growth¹
- Relative positions of industries remain the same¹

Probable cause...

- Competitive labor markets force continued improvement in working conditions¹

We are an outlier!

- Our ultimate goal must be ZERO workplace injuries with milestones of meeting and beating the national injury rate...

¹NCCI Presentation, Harry Shuford, 2006

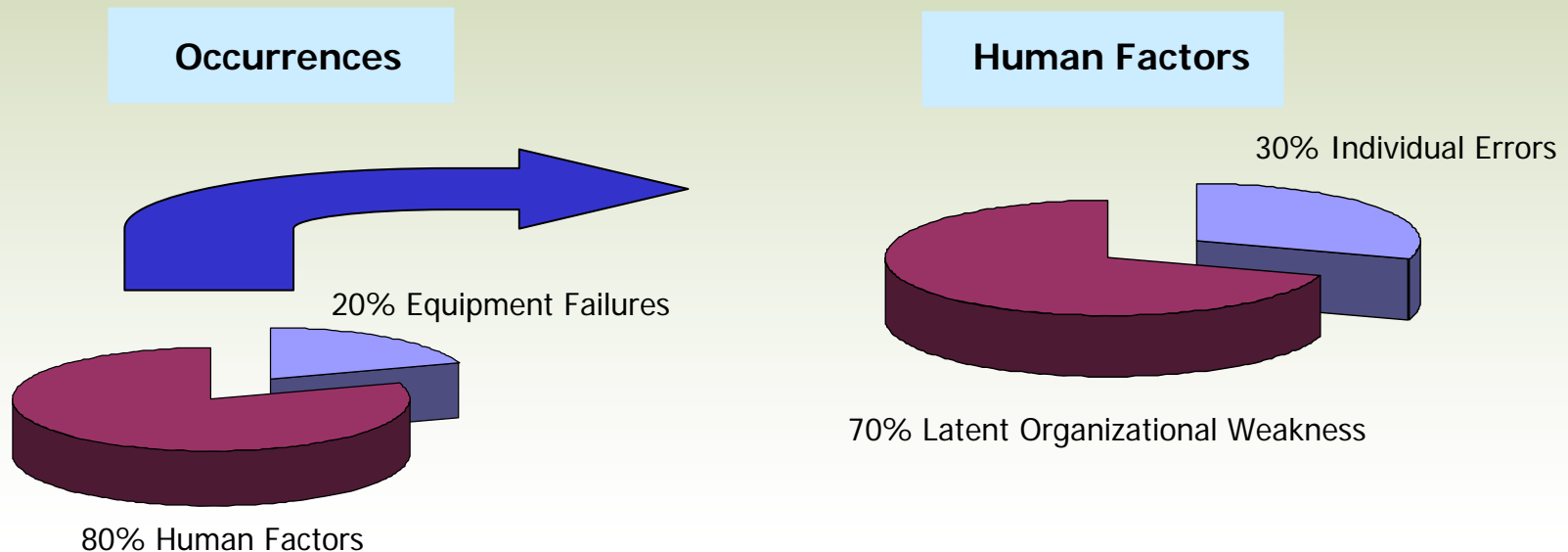
THE WINNING FORMULA

Safety Culture

True Safety Culture

- Everyone feels responsible for safety; managers and employees work together; safety is a value (not a priority).

Impact of Weak Organizational Safety Culture



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Safety Culture (cont.)

Identifying Weak Organizational Culture

– individual error vs. cultural weakness...

1. Was the action intended?
2. Were there medical restrictions?
3. Was training in place and adequate?
4. Would the action pass the substitution test (Would another worker have acted the same way in the same situation)?
5. Was there a history of unsafe acts?

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Safety Management Systems

Key areas in safety management...

- Operational – hazard identification and control,
- Managerial – planning, administration, evaluation, training
- Culture – management leadership & employee involvement

Points of Excellence in Safety Management

- Have safety policy and management systems
- Assume all incidents are preventable
- Assume all exposures/risks can be controlled
- Hold management responsible and accountable for preventing injuries
- Involve employees
- Make working safely a condition of employment
- Train employees to work safely
- Promote off-the-job safety
- Audit safety (you get what you measure)

Adapted from "Managing Safety: Techniques that Work for the Safety Pro", DuPont

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Safety Management Systems – the business link

Business Value



Linking steps



Safety and Health Principles

- Corporate Image
- Ability to Compete
- Access to Global Markets
- Employee Morale
- Efficiency and Productivity
- Product and Service Quality
- Cost and Risk Reduction

- Senior management commitment and involvement
- Employee active participation
- Shared goals and accountability
- Defined roles and responsibilities
- Common language
- Effective communication
- Right resources
- Balanced performance measures
- Knowledge sharing and information transfer

- Safety is a core value of the company's culture
- A systems approach is taken toward safety
- Safety is integrated throughout the company
- Employees participate at all levels

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Social Marketing

What is social marketing...

- The process of influencing specific audiences and broad public behavior to voluntarily change behaviors that benefit those specific audiences and the whole of society.

What does it really mean?

- Convincing Montanans that there is a problem
- Making workplace injuries be seen as unacceptable
- Encouraging shared responsibility and action
- Measuring success

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Social Marketing

Canada – the international leader...

- Defined the problem
- Defined the solution
- Adopted a long-term view
- Created awareness
 - Branding
 - Media Campaign
- Continually evaluates success

PUBLIC POLICY Stakeholders and sources of help

Resources include (but are not limited to):

- Employers
 - Insurance Companies
 - Associations
 - Chamber of Commerce
 - Labor Unions
 - DLI Safety and Health Bureau
 - OSHA
 - The public
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- Partnerships among any/all of the above entities...

PUBLIC POLICY

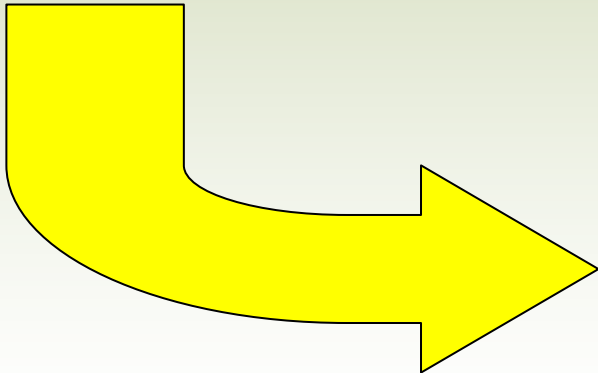
Getting the word out

A survey from Safety + Health, June 2006

Survey Snapshot

Learning about safety

Where do you go first for safety information?



Safety organization	40 %
Media	28 %
Health care provider	16 %
Employer	06 %
Insurance company	06 %
Government	04 %

PUBLIC POLICY

Questions

Existing Montana Legislation...

- Montana Safety Culture Act
 - Adequacy
 - Promotion
 - Enforcement
- MCA

Thoughts for Consideration...AWARENESS AND SUPPORT

- Resources & funding for Montana safety initiatives
 - Campaigns for key Montana injury causes
 - Slips/trips/falls
 - Sprains
- Public policy for workers' Compensation
 - Prevention elements
 - Other elements (ERTW, medical, etc.)
- Resources & funding for health and safety expertise
 - Reaching Montana's small business for compliance visits
 - Reaching Montana's small businesses for health and safety support & consultation

Contact Information

Safety & Health Bureau...

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